

CalHFA MULTIFAMILY PROGRAMS DIVISION

Final Commitment Staff Report & Request for Tax-Exempt and Taxable Conduit Issuance and Loan Approval of Mixed Income Program Subsidy Financing

Senior Loan Committee "Approval": May 22, 2020 for Board Meeting on: July 9, 2020

Project Name, County:	Antioch Senior & Family Apartments		
Address:	3560 East 18 th Street, Antioch, Contra Costa County, CA 94509		
CalHFA Project Number:	19-023-A/X/N		
Requested Financing by Loan Program:	\$83,468,371	Tax Exempt Bond – Conduit Issuance Amount	
	\$14,583,982	Taxable Bond-Conduit Issuance Amount	
	\$6,000,000	Subsidy GAP Loan funded by MIP funds	

DEVELOPMENT/PROJECT TEAM

Developer:	AMCAL Multi-Housing Inc.	Borrower:	AMCAL Antioch Fund, LP
Permanent Lender:	Citibank	Construction Lender:	Bank of America
Equity Investor:	Bank of America	Management Company:	FPI Management Inc.
Contractor:	AMCAL General Contractors	Architect	Architects Orange
Loan Officer:	Ruth Vakili	Loan Specialist:	Kevin Brown
Asset Manager:	Jessica Doan	Loan Administration:	Kevin Brown
Legal (Internal):	Paul Steinke	Legal (External):	Orrick, Herrington & Sutcliffe
Concept Meeting Date:	2/27/2019	Approval Expiration Date:	6 months from Approval

LOAN TERMS

1.		CONDUIT ISSUANCE Bank of America	PERMANENT LOAN Citibank	MIP (GAP) LOAN
	Total Loan Amount	\$83,468,371 (T/E) \$14,583,982 (Tax)	\$63,590,000	\$6,000,000
	Loan Term & Lien Position	36 months- interest only. One 6-month extension available. 1 st Lien Position during construction	35-year amortization due in year 16. 1st Lien Position during permanent	55-year - Residual Receipts; 2nd Lien Position during permanent, MIP regulatory covenants will be recorded in first position.
	Interest Rate (subject to change and locked 30 days prior to loan closing)	LIBOR +2.00% variable Underwritten at 4.62% (tax-exempt & taxable)	16-year LIBOR + 2.25%. Underwritten at 3.55% . The forward rate lock of for 42 months with a 6-month extension available.	3.00% Simple Interest
	Loan to Value (LTV)	LTV 55%.	LTV 70%.	N/A
	Loan to Cost	70%	40.95%	N/A

ANTICIPATED PROJECT MILESTONES & SCHEDULE

2.	CDLAC/TCAC Closing Deadline:	8/10/2020	Est. Construction Loan Closing:	6/25/2020
	Estimated Construction Start:	7/1/2020	Est. Construction Completion:	1/2023
	Estimated Stabilization and Conversion to Perm Loan(s):		6/2023	

SOURCES OF FUNDS

3.	Construction Period Financing				
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE	
	Construction Loan- B of A (T/E)	\$83,468,371	1st	Interest Only	
	Construction Loan- B of A (Tax)	\$14,583,982	2nd	Interest Only	
	Tax Credit Equity	\$41,874,785	N/A	N/A	
	Total	\$139,927,138	\$355,145	Per Unit	
	Permanent Financing				
	SOURCE	AMOUNT	LIEN POSITION	DEBT TYPE	
	Permanent Loan- Citibank (T/E)	\$63,590,000	1st	Balloon 35/16	
	CalHFA MIP Loan	\$6,000,000	2nd	Residual Receipts Loan	
	Tax Credit Equity	\$73,028,925	N/A	N/A	
	Estimated Deferred Developer Fee	\$12,654,713	N/A	Payable from Cash Flow	
	TOTAL DEVELOPMENT COST:	\$155,273,668	\$394,096	Per Unit	
	Subsidy Efficiency: CalHFA MIP loan of \$6,000,000 is \$15,385 per restricted unit restricted between 30% AMI to 80% AMI.				
	Tax Credit Type(s), Amount(s), Pricing(s), and per restricted units:				
	<ul style="list-style-type: none"> • 4% Federal Tax Credits: \$43,398,580 assuming estimated pricing of \$0.95 (\$110,149 per TCAC restricted unit). • 4% State Tax Credits: \$36,875,099 assuming estimated pricing of \$0.85 (\$93,592 per TCAC restricted unit). 				
	Rental Subsidies: The Project will not be subsidized by project-based vouchers.				
	Other State Subsidies: The Project will not be funded by other state funds.				
	Other Locality Subsidies: The Project will not be funded by locality funds.				
	Cost Containment Strategy: The Total Development Cost is \$394,096 per unit. The General Contractor is an entity that is related to the developer. The developer/sponsor must certify that cost containment measures have been implemented to minimize construction costs. These measures may include but are not limited to 1) competitively bidding out all major subcontractors and self-performing trades 2) obtain 3 bids for all major trades and 3) engage value engineer/consultant during the design process.				
	4.	Equity – Cash Out (estimate): Not applicable.			

TRANSACTION SUMMARY

5.	Legislative Districts	Congress:	#9 Jerry McNerney	Assembly:	#11 Jim Frazier	State Senate:	#7 Steven Glazer
	Brief Project Description	<p>Antioch Family & Senior Apartments (the “Project”) is a new mixed-income development consisting of 394 units that is 100% affordable to households earning less than 80% of Area Median Income (“AMI”). There will be 177 units restricted to seniors 55 and older earning from 30% of AMI to 80% AMI, 213 units restricted to families earning from 50% AMI to 60% AMI and 4 unrestricted 2-bedroom manager’s units. The senior units will be comprised of 144 one-bedroom units and 33 two-bedroom units that average 596 SF and 824 SF respectively. These units will be located in two senior-only 3-story, elevator-serviced buildings. The 213 family units will be comprised of 105 two-bedroom units and 108 three-bedroom units that average 824 SF and 1,059 SF respectively. The family units are located in nine 3-story walk-up buildings.</p> <p>Financing Structure: The Project’s financing structure includes tax-exempt bonds, 4% federal tax credits, state tax credits, and MIP financing. The project will be income averaged, pursuant to TCAC regulations.</p> <p>Tax Credits and/or CDLAC Status: The Developer received an allocation for 4% tax credits and tax-exempt bonds on February 12, 2020.</p> <p>Amenities: The Project will have gated access and will include a community building with offices, a kitchen, computer and fitness rooms. The site amenities include picnic/BBQ areas, playgrounds, a pool and laundry facilities (40 washers and 40 dryers). Unit amenities will include central heating and air, a refrigerator, range, disposal, dishwasher and balcony/patio space. The Project is located near a bus stop and is within 1.5 miles of all levels of services and schools.</p>					

TRANSACTION OVERVIEW

6.	Proposal and Project Strengths
	<ul style="list-style-type: none"> • The Project has received an award of 4% federal and state tax credits award which is projected to generate equity representing 47% of total financing sources. • The Developer/Sponsor and property management company have extensive experience in developing similar affordable housing projects and have experience with CalHFA. • The Project will serve families and seniors with incomes ranging between 30% to 80% of AMI. • The Loan-to-Value is 70%, which meets the Agency’s minimum requirements and the first mortgage and MIP loan together is 77% LTV, which provides less risk to the Agency. • The projected portion of the Developer’s fee that will be collected at or prior to permanent loan conversion is \$5,399,999 which could be available to cover cost overruns and/or unforeseen issues during construction. • The exit analysis assumes 6.75% cap rate and 3% increase of the underwriting interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of the 1st lien permanent loan and CalHFA MIP loan. • Project rents are between 34% to 86% of market and 80% of the units will be affordable to families and seniors earning 60% or less of AMI. • Vacancy rates in the Primary Market Area is 3.8% for market rate properties and 1.2% with waiting lists for some of the comparable affordable properties in the area. • Services to be provided by a full-time LifeSTEPS social services coordinator and will include an on-site after-school program for children, adult education, computer literacy, personal finance and ESL classes and social activities. The annual cost of these services is \$50,400 and is paid through the operating budget.

7.	Project Weaknesses with Mitigants:
None.	
8.	Underwriting Standards or Term Sheet Variations
<ul style="list-style-type: none"> • The MIP loan amount of \$6,000,000 exceeds the maximum loan amount of \$5,000,000. A waiver to exceed the maximum is recommended because this is a large project. In addition, the project will serve a broad range of families and seniors in an area experiencing high demand for affordable housing. • The April 2019 MIP term sheet requires that projects being considered pursuant to MIP 2019 NOFA shall receive CDLAC and TCAC allocations by December 2019. The CalHFA Board approved a waiver to this requirement to allow the project to apply during the November 2019 application period for 2020 allocations from CDLAC and TCAC. • The MIP term sheet requires repayment of the MIP loan to be 50% of net cash flow and 50% to the Developer, which would result in \$5,551,976 in deferred developer fee not being repaid within the required 15-year repayment period. The term sheet also allows for deferral of repayment for up to 15 years. Therefore, the Developer has requested to defer repayment of the MIP loan until the developer fee is repaid or 15 years, which is anticipated to occur in year 13. After the developer fee is repaid, the net cash flow split will be 50% to the Developer and 50% to the MIP loan repayment. The analysis shows the MIP loan will be fully repaid upon refinance of the project in year 15. 	
9.	Project Specific Conditions of Approval
<p>Approval is conditioned upon</p> <ul style="list-style-type: none"> • Evidence of all environmental remediation prior to CalHFA MIP Loan closing. • Construction Lender, equity investor, and borrower shall permit CalHFA to recycle all or a portion of Project’s tax-exempt bonds, as applicable. • The Project must meet the readiness requirements within 180 days from CDLAC allocation. • CalHFA will require the Developer to provide a cost containment certification that is acceptable to the Agency. • Subject to receipt of a certification acceptable to CalHFA from the engineer on record that the Project was built to current seismic code prior to permanent loan closing. • CalHFA requires that MIP affordability covenants be recorded in first position. • Closing on construction financing will be subject to final LPA being substantially consistent to the assumptions made at time of final commitment and that it is acceptable to CalHFA. • Borrower shall approve a participation agreement, if any, between the Permanent Lender and CalHFA in which the Permanent Lender and CalHFA shall participate in a portion of the first lien loan as determined between CalHFA and the permanent lender. • The CalHFA MIP loan will be, in the Agency’s sole discretion, the lesser of 1) the principal amount as stated herein or 2) an amount as determined by the Agency in the event the financial assumptions change prior to construction loan closing. For instance, if the permanent loan interest rate decreased, then the subsidy may be reduced due to additional debt generated by the lower interest rate. An increase of the CalHFA MIP loan will not be allowed and will be subject to Agency’s approval. 	
10.	Staff Conclusion/Recommendation:
The Multifamily Lending Division supports approval of the described financing in the amount(s) requested, subject to the above proposed terms and conditions.	

MISSION & AFFORDABILITY

11.	CalHFA Mission/Goals
This Project and financing proposal provide 390 units of affordable housing with a range of restricted rents between 30% and 80% of AMI which will support much needed rental housing that will remain affordable for 55 years.	

--	--

12. CalHFA Affordability & Occupancy Restrictions

The CalHFA Bond Regulatory Agreement will restrict a minimum of 30% of the total units at or below 60% AMI (119 units) and 10% of the total units at 50% of AMI (40 units) for 55 years.

The CalHFA MIP Subsidy Regulatory Agreement will restrict 10% of the units (40 units) to 50% AMI, 20% of the units (79 units) between 60% to 80% AMI, and the balance of the units (271 units) units will be restricted at or below 120% of AMI.

Rent Limit Summary Table					
Restrictions @ AMI	Total	1-bdrm	2-bdrm	3-bdrm	% of Total
30%	38	38	-	-	9.6%
40%	28	28	-	-	7.1%
50%	25	-	14	11	6.3%
60%	221	-	124	97	56.1%
80%	78	78	-	-	19.8%
Manager's Unit	4	-	4	-	1.0%
Total	394	144	142	108	100.0%

NUMBER OF UNITS AND AMI RENTS RESTRICTED BY EACH AGENCY

Regulatory Source	Lien Priority if Recorded Document	Term of Agrmt (years)	Number of Units Restricted For Each AMI Category									
			30%	40%	50%	60%	80%	<= 120%	Mgrs Unit	Total Units Regulated	% of Regulated Units	
Bond Reg	1st	55			40	119				4	159	40.4%
CalHFA MIP	2nd	55			40		79	271		4	390	99.0%
Tax Credits	3rd	55	38	28	25	221	78			4	390	99.0%

13. Geocoder Information

Central City:	No	Underserved:	No
Low/Mod Census Tract:	Moderate	Below Poverty line:	10.22%
Minority Census Tract:	48.12%	Rural Area:	No
TCAC Opportunity Area:	Low Resource		

FINANCIAL ANALYSIS SUMMARY

14. Capitalized Reserves:	
Replacement Reserves (RR):	N/A
Operating Expense Reserve (OER):	\$1,553,299 OER amount is sized based on 3-months operating expenses, debt service, and annual replacement reserves deposits. The Permanent Lender or Investor will hold this reserve.
Transitional Operating Reserve (TOR):	N/A

15. Cash Flow Analysis			
	1st Year DSCR:	1.20	Project-Based Subsidy Term: N/A
	End Year DSCR:	1.61	Annual Replacement Reserve Per Unit: \$275/unit
	Residential Vacancy Rate:	5%	Rental Income Inflation Rate: 2.50%
	Subsidy Vacancy Rate:	N/A	Subsidy Income Inflation Rate: N/A
	Non-residential Vacancy Rate:	N/A	Project Expenses Inflation Rate: 3.50%
			Property Tax Inflation Rate: 1.25%
<ul style="list-style-type: none"> The overall vacancy rate for comparable properties is 1.7%. The project has been underwritten conservatively assuming a 5% vacancy rate as required by USRM. 			
16. Loan Security			
<ul style="list-style-type: none"> The CalHFA loan(s) will be secured against the above described Project site. 			
17. Balloon Exit Analysis	Applicable: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<ul style="list-style-type: none"> The exit analysis assumes 6.75% cap rate and 3% increase of the underwriting interest rate at loan maturity. Based on these assumptions, the Project will have the ability to fully repay the balance of the 1st lien permanent loan and CalHFA MIP loan in year 16. 			

APPRAISAL AND MARKET ANALYSIS

18. Appraisal Review			
<ul style="list-style-type: none"> The Appraisal dated 4/3/2020, prepared by Integral Realty Resources, values the land at \$7,900,000. The as-restricted stabilized value is \$90,700,000, which results in the combined permanent loan to value of 77%. The restricted value was based on a cap rate of 4.75%, consistent with cap rates for comparable properties in the project's market area. The average occupancy for affordable properties is 98% to 100%, with waiting lists for some projects. However, the appraisal used a 5% vacancy rate in the evaluation in consideration of potential market impacts. 			
	Market Study:	Novogradac Consulting, LLP	Dated: 9/25/2019
<p>Regional Market Overview</p> <ul style="list-style-type: none"> The Primary Market Area is the city of Antioch and nearby towns of Bridgehead, San Hill, Knightsen, Brentwood, West Hartley, Pittsburgh, and Bay Point (population of 296,836) and the Secondary Market Area ("SMA") is San Francisco-Oakland-Hayward (population of 330,088,686) The general population in the PMA is anticipated to increase by 1.4% per year and the senior population will increase by 4.2% per year. Unemployment in the SMA as of 12/2019 was 2.5%, which evidences a strong employment area. 			
<p>Local Market Area Analysis</p> <ul style="list-style-type: none"> Supply: <ul style="list-style-type: none"> There are currently 19 senior and 35 family affordable projects in the PMA with an average 0.5% vacancy rate and long wait lists. There are 6 affordable project(s) under construction which are anticipated to complete within 1-3 years. Demand/Absorption: <ul style="list-style-type: none"> The project will need to capture 15.9% of the total demand for family units and 13.5% of the total demand for senior units in the PMA. The affordable units are anticipated to lease up at a rate of 32 units per month and reach stabilized occupancy within 12 months of opening. 			

DEVELOPMENT SUMMARY

19. Site Description	Requires Flood Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
-----------------------------	--	--	--

<ul style="list-style-type: none"> The property is located on the south side of East 18th Street, in the City of Antioch, Contra Costa County. The site is currently vacant, with level topography at street grade, measuring approximately 14.69 acres and is generally rectangle in shape. The site consists of two contiguous parcels that will be merged prior to start of construction. The site is zoned PD Mixed-Use and PD High Density Residential use. The subject is located in Flood Zone X (area of minimum flood hazard). Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood, therefore the Project will not be subject to flood insurance. The project is not located within an Alquist-Priolo Special Studies Zone. 	
20.	Form of Site Control & Expiration Date
<p>The Borrower purchased the land from various family trusts unrelated to the borrowing entity on 9/30/2019 for an amount of \$4,800,000. The land cost of \$5,175,000 in development budget includes two extension payments totaling \$375,000. The current as-is appraised value of the land is \$7,900,000.</p>	
21.	Current Ownership Entity of Record
<p>Title is currently vested in the Borrower, AMCAL Antioch Fund, LP, a California limited partnership as the fee owner.</p>	
22.	Environmental Review Findings
<ul style="list-style-type: none"> A Phase I Environmental Site Assessment performed by Rincon Consultants, Inc, dated 3/11/2020 revealed no evidence of recognized environmental conditions, so no additional investigation was recommended. 	
23.	Seismic Requires Earthquake Insurance: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> This new Project will be built to State and City of Antioch Building Codes so no seismic review is required. 	
24.	Relocation Requires Relocation: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> Not Applicable
<ul style="list-style-type: none"> The Project is new construction on vacant land, therefore, relocation is not applicable. 	

PROJECT DETAILS

25.	Residential Areas:			
	Residential Square Footage:	313,908	Residential Units per Acre:	26.55
	Community Area Sq. Ftg:	5,858	Total Parking Spaces:	591
	Supportive Service Areas:	N/A	Total Building Sq. Footage:	319,766
26.	Mixed-Use Project: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	Non-Residential Sq. Footage:	N/A	Number of Lease Spaces:	N/A
	Master Lease:	N/A	Number of Parking Spaces:	N/A
27.	Construction Type:	New Construction type V-A wood-framed residential building on slab with surface parking spaces.		
28.	Construction/Rehab Scope Requires Demolition: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<ul style="list-style-type: none"> The subject site is new construction. The Contractor is an affiliate of the Borrower entity. The contract will be structured as a Guaranteed Maximum Price (GMP) contract with a 14% for builder overhead, profit, and general requirements. The locality requires offsite improvements that includes installation of traffic signal at northeast corner of property and an access road on the eastern boundary of property. 				

29.	Construction Budget Comments:
<ul style="list-style-type: none"> • CalHFA will require an independent review of the costs by a 3rd Party consultant prior to construction loan closing. 	

ADDITIONAL DEVELOPMENT/ PROJECT TEAM INFORMATION

30.	Borrower Affiliated Entities
<ul style="list-style-type: none"> • Managing General Partner: Kingdom Antioch, LLC, a California limited liability company; 0.005% interest <ul style="list-style-type: none"> ○ Sole Member: Kingdom Development, Inc., a California nonprofit public benefit corporation • Administrative General Partner: AMCAL Multi-Housing Inc., a California Corporation; 0.005% interest • Investor Limited Partner: Bank of America, N.A.; 99.99% interest 	
31.	Developer/Sponsor
<ul style="list-style-type: none"> • AMCAL Multi-Housing Inc (“Developer”) has extensive experience developing these types of projects throughout California including 11 projects in CalHFA’s portfolio. The Developer has completed a total of 88 projects and approximately 8,000 units throughout California and Texas over the last 35 years and has 7 projects including 1,385 units currently under construction. • Percival Vaz is CEO of the Developer and has considerable experience with financing structures which include tax credits, bonds, HOME, MHP, CDBG and other state, local and federal sources. • The Developer also has an affiliated general contractor, AMCAL General Contractors, Inc, which allows better control over completion timelines and costs. 	
32.	Management Agent
<ul style="list-style-type: none"> • The Project will be managed by FPI Management, Inc. (“FPI”), which has extensive experience in managing similar affordable housing projects in the area and successfully manages several projects in CalHFA’s portfolio. • FPI was established in 1968 and currently manages over 110,000 units over 13 states including 45,000 affordable units that include tax credits, USDA, HUD, and other public regulatory requirements. • FPI’s services include marketing, leasing, property maintenance/preservation, accounting/financial reporting, resident services, and affordable housing compliance. • FPI’s team includes an experienced management team, each with 10 years or more of experience in the property management field. 	
33.	Service Provider Required by TCAC or other funding source? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> • Life Skills Training & Educational Programs, Inc. (“LifeSTEPS”) is the service provider. • Since 1996, LifeSTEPS has been providing resident services to affordable housing communities throughout California including 325 communities and approximately 90,000 residents. • LifeSTEPS experience includes providing life skills educational training, health & wellness services, crisis intervention and practical counseling, after school programs, case management services, and service coordination. LifeSTEPS also provides supportive housing services such as intensive case management services to special needs and at-risk families. 	
34.	Contractor Experienced with CalHFA? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> • The general contractor is AMCAL General Contractors, Inc (“GC”), was founded in 1979 and has extensive experience in constructing similar affordable housing projects in California and is familiar with CalHFA. • The GC currently has 7 new construction projects under development totaling 1,302 units and has completed 16 affordable projects totaling 2,800 units within the last 5 years, mostly new construction. • The GC and Developer are affiliated entities. 	
35.	Architect Experienced with CalHFA? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>The architect is Architects Orange, which has extensive experience in designing and managing similar affordable housing projects in California through the locality’s building permit process and is familiar with CalHFA.</p>	

36.	Local Review via Locality Contribution Letter
The locality, City of Antioch, returned the local contribution letter stating they strongly support the project.	

EXHIBITS: Detailed Financial Analysis and applicable Term Sheets

PROJECT SUMMARY			Final Commitment			
Acquisition, Rehab, Construction & Permanent Loans			Project Number 19-023-A/X/N			
Project Full Name	Antioch Senior & Family Housing	Borrower Name:	AMCAL Antioch Fund, LP			
Project Address	3560 E. 18th Street	Managing GP:	AMCAL Multihousing Inc.			
Project City	Antioch	Developer Name:	AMCAL Multi-Housing Inc.			
Project County	Contra Costa	Investor Name:	Bank of America			
Project Zip Code	94509	Prop Management:	FPI Management Inc.			
		Tax Credits:	4			
Project Type:	Mixed Income Loan Only (Conduit Perm Loan)	Total Land Area (acres):	14.69			
Tenancy/Occupancy:	Fam/Sen	Residential Square Footage:	317,204			
Total Residential Units:	394	Residential Units Per Acre:	26.82			
Total Number of Buildings:	12	Covered Parking Spaces:	305			
Number of Stories:	3	Total Parking Spaces:	591			
Unit Style:	Flat					
Elevators:	2					
Acq/Construction/Rehab Financing		Loan Amount (\$)	Loan Fees	Loan Term (Mo.)	Amort. Period (Yr.)	Starting Interest Rate
CalHFA Conduit-BofA T/E Bonds		83,468,371	0.500%	42	--	4.620%
CalHFA Conduit-BofA Taxable Bonds		14,583,982	0.500%	42	--	5.470%
--		--	--	--	--	--
Investor Equity Contribution		41,874,785	--	--	--	--
Permanent Financing		Loan Amount (\$)	Loan Fees	Loan Term (Yr.)	Amort. Period (Yr.)	Starting Interest Rate
Conduit First Lien Loan-Citibank		63,590,000	0.500%	16	35	3.550%
MIP		6,000,000	1.000%	55	--	3.000%
Deferred Developer Fees		12,654,743	NA	NA	NA	NA
--		--	NA	NA	NA	NA
Investor Equity Contributions		73,028,925	NA	NA	NA	NA
Appraised Values Upon Completion of Rehab/Construction						
Appraisal Date:	4/24/20	Capitalization Rate:	4.75%			
Investment Value (\$)	\$ 179,600,000	Restricted Value (\$)	90,700,000			
Construct/Rehab LTC	70%	Permanent Loan to Cost	41%			
Construct/Rehab LTV	55%	1st Permanent Loan to Value	70%			
		Combined Perm & MIP Loan to Value	77%			
Additional Loan Terms, Conditions & Comments						
<u>Construction/Rehab Loan</u>						
Payment/Performance Bond			0			
Completion Guarantee Letter of Credit			0.00%			
<u>Permanent Loan</u>						
Operating Expense Reserve Deposit	\$0	Cash				
Initial Replacement Reserve Deposit	\$0	Cash				
Annual Replacement Reserve Per Unit	\$275	Cash				
Date Prepared:	5/18/20	Senior Staff Date:	5/22/20			

UNIT MIX AND RENT SUMMARY
Antioch Senior & Family Housing

Final Commitment
Project Number 19-023-A/X/N

PROJECT UNIT MIX					
Unit Type of Style	Number of Bedrooms	Number of Baths	Average Size (Sq. Ft.)	Number of Units	Est. No. of Tenants
Flat	1	1	596	144	216
Flat	2	1	824	142	426
Flat	3	2	1,059	108	486
-	-	-	-	-	0
-	-	-	-	-	0
-	-	-	-	-	0
				394	1128

NUMBER OF UNITS AND PERCENTAGE OF AMI RENTS RESTRICTED BY EACH AGENCY							
Agency	Number of Units Restricted For Each AMI Category						Market
	30%	40%	50%	60%	80%	120%	
CalHFA Bond/RiskShare	0	0	40	119	0	0	0
CalHFA MIP	0	0	40	0	79	271	0
Tax Credit	38	28	25	221	78	0	0
-							
-							
-							

COMPARISON OF AVERAGE MONTHLY RESTRICTED RENTS TO AVERAGE MARKET RENTS							
Unit Type	Restricting Agency	% of Area Median Income	Average Restricted Rents		Average Market Rents	Average Monthly Savings	% of Market Rents
			Number of Units	Unit Rent			
Studios	CTCAC	30%	-	-	-	-	-
	CTCAC	40%	-	-	-	-	-
	CTCAC	50%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	CTCAC	50%	-	-	-	-	-
1 Bedroom-Senior	CTCAC	30%	38	\$656	\$1,860	\$1,204	35%
	CTCAC	40%	28	\$889	-	\$971	48%
	CTCAC	50%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	78	\$1,675	-	\$185	90%
	CTCAC	50%	-	-	-	-	-
2 Bedroom Senior	CTCAC	30%	-	-	\$2,070	-	-
	CTCAC	40%	-	-	-	-	-
	CTCAC	50%	14	\$1,337	-	\$733	65%
	CTCAC	60%	19	\$1,616	-	\$454	78%
	CTCAC	80%	-	-	-	-	-
	CTCAC	50%	-	-	-	-	-
2 Bedroom-Family	CTCAC	30%	-	-	\$2,540	-	-
	CTCAC	40%	-	-	-	-	-
	CTCAC	50%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
	CTCAC	50%	-	-	-	-	-
3 Bedroom-Family	CTCAC	60%	105	\$1,616	-	\$924	64%
	CTCAC	30%	-	-	\$2,122	-	-
	CTCAC	40%	-	-	-	-	-
	CTCAC	50%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-
	CTCAC	80%	-	-	-	-	-
5 Bedrooms	CTCAC	50%	11	\$1,537	-	\$585	72%
	CTCAC	60%	97	\$1,859	-	\$263	88%
	CTCAC	30%	-	-	-	-	-
	CTCAC	40%	-	-	-	-	-
	CTCAC	50%	-	-	-	-	-
	CTCAC	60%	-	-	-	-	-

Date Prepared: 5/18/20

Senior Staff Date: 5/22/20

SOURCES & USES OF FUNDS		Project Number		Final Commitment	
Antioch Senior & Family Housing		19-023-A/X/N			
SOURCES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT SOURCES OF FUNDS		
	\$	\$	SOURCES (\$)	PER UNIT (\$)	%
CalHFA Conduit-BofA T/E Bonds	83,468,371				0.0%
CalHFA Conduit-BofA Taxable Bonds	14,583,982				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fee	-				0.0%
Developer Equity Contribution	-				0.0%
Investor Equity Contribution	41,874,785				0.0%
-	-				0.0%
MIP		6,000,000	6,000,000	15,228	3.9%
-	-				0.0%
-	-				0.0%
Conduit First Lien Loan-Citibank		63,590,000	63,590,000	161,396	41.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
-	-				0.0%
Construct/Rehab Net Oper. Inc.	-				0.0%
Deferred Developer Fees		12,654,743	12,654,743	32,119	8.1%
Developer Equity Contribution		-			0.0%
Investor Equity Contributions		73,028,925	73,028,925	185,353	47.0%
TOTAL SOURCES OF FUNDS	139,927,138	155,273,668	155,273,668	394,096	100.0%
TOTAL USES OF FUNDS (BELOW)	139,927,138	155,273,668	155,273,668	394,096	100.0%
FUNDING SURPLUS (DEFICIT)	-	-	-		

USES OF FUNDS	CONST/REHAB	PERMANENT	TOTAL PROJECT USES OF FUNDS		
	\$	\$	USES (\$)	PER UNIT (\$)	%
CONSTRUCTION/REHAB SOURCES OF FUNDS		139,927,138			
ACQUISITION COSTS					
Lesser of Land Cost or Appraised Value	4,800,000	-	4,800,000	12,183	3.1%
Demolition Costs	-	-	-	-	0.0%
Legal & Other Closing Costs	50,000	-	50,000	127	0.0%
Escrow & other closing costs	-	-	-	-	0.0%
Verifiable Carrying Costs	-	-	-	-	0.0%
Existing Improvements Value	-	-	-	-	0.0%
Delinquent Taxes Paid @ Closing	-	-	-	-	0.0%
CalHFA Yield Maintenance Paid @ Closing	-	-	-	-	0.0%
Existing Replacement Reserve	-	-	-	-	0.0%
Broker Fees Paid to Related Party	-	-	-	-	0.0%
Other (Purchase extension payments)	375,000	-	375,000	952	0.2%
Other (Specify)	-	-	-	-	0.0%
TOTAL ACQUISITION COSTS	5,225,000	-	5,225,000	13,261	3.4%
CONSTRUCTION/REHAB COSTS					
Offsite Improvements	1,712,092	-	1,712,092	4,345	1.1%
Environmental Remediation (Hard Costs)	-	-	-	-	0.0%
Site Work (Hard Cost)	10,360,137	-	10,360,137	26,295	6.7%
Structures (Hard Cost)	58,329,833	-	58,329,833	148,045	37.6%
General Requirements	3,372,652	-	3,372,652	8,560	2.2%
Contractor Overhead	3,397,105	-	3,397,105	8,622	2.2%
Contractor Profit	3,397,105	-	3,397,105	8,622	2.2%
Contractor Bond	-	-	-	-	0.0%
Contractor Liability Insurance	-	-	-	-	0.0%
Personal Property	-	-	-	-	0.0%
HVAC/Resident Damage	-	-	-	-	0.0%
TOTAL CONSTRUCT/REHAB COSTS	80,568,924	-	80,568,924	204,490	51.9%

SOURCES & USES OF FUNDS			Final Commitment		
Antioch Senior & Family Housing			Project Number 19-023-A/X/N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
RELOCATION COSTS					
Relocation Expense	-	-	-	-	0.0%
Relocation Compliance Monitoring	-	-	-	-	0.0%
Other (Specify)	-	-	-	-	0.0%
TOTAL RELOCATION COSTS	-	-	-	-	0.0%
ARCHITECTURAL FEES					
Design	1,520,000	-	1,520,000	3,858	1.0%
Supervision	-	-	-	-	0.0%
TOTAL ARCHITECTURAL FEES	1,520,000	-	1,520,000	3,858	1.0%
SURVEY & ENGINEERING FEES					
Engineering	982,000	-	982,000	2,492	0.6%
Supervision	-	-	-	-	0.0%
ALTA Land Survey	35,000	-	35,000	89	0.0%
TOTAL SURVEY & ENGINEERING FEES	1,017,000	-	1,017,000	2,581	0.7%
CONTINGENCY RESERVES					
Hard Cost Contingency Reserve	10,733,496	-	10,733,496	27,242	6.9%
Soft Cost Contingency Reserve	5,148,012	-	5,148,012	13,066	3.3%
TOTAL CONTINGENCY RESERVES	15,881,508	-	15,881,508	40,308	10.2%
CONSTRUCT/REHAB PERIOD COSTS					
Loan Interest Reserve					
CalHFA Conduit-BofA T/E Bonds	7,541,861	-	7,541,861	19,142	4.9%
CalHFA Conduit-BofA Taxable Bonds	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Loan Fees					
CalHFA Conduit-BofA T/E Bonds	417,342	-	417,342	1,059	0.3%
CalHFA Conduit-BofA Taxable Bonds	72,920	-	72,920	185	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Other Const/Rehab Period Costs					
Deficit Const/Rehab NOI (Net Operating In	-	-	-	-	0.0%
Credit Enhancement & Application Fees	62,500	-	62,500	159	0.0%
Owner Paid Bonds/Insurance	-	-	-	-	0.0%
CalHFA Inspection Fees	10,500	-	10,500	27	0.0%
Real Estate Taxes During Rehab	215,625	-	215,625	547	0.1%
Completion Guaranty Fee	-	-	-	-	0.0%
Wage Monitoring Fee (Davis Bacon, Preva	-	-	-	-	0.0%
Insurance During Rehab	1,007,112	-	1,007,112	2,556	0.6%
Title & Recording Fees	125,000	-	125,000	317	0.1%
Construction Management & Testing	-	-	-	-	0.0%
Predevelopment Interest Expense	988,650	-	988,650	2,509	0.6%
Bond Issuer Fee	118,052	-	118,052	300	0.1%
Other-Closing Costs	30,000	-	30,000	76	0.0%
TOTAL CONST/REHAB PERIOD COSTS	10,589,562	-	10,589,562	26,877	6.8%

SOURCES & USES OF FUNDS			Final Commitment		
Antioch Senior & Family Housing			Project Number 19-023-A/X/N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
PERMANENT LOAN COSTS					
Loan Fees					
CalHFA Application Fee	-	-	-	-	0.0%
-	-	-	-	-	0.0%
MIP	30,000	30,000	60,000	152	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
- Conduit First Lien Loan-Citibank	-	317,950	317,950	807	0.2%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
-	-	-	-	-	0.0%
Permanent Loan Cost of Issuance Fee	-	-	-	-	0.0%
Credit Enhancement & Application Fees	-	-	-	-	0.0%
Title & Recording (closing costs)	-	25,000	25,000	63	0.0%
Year 1 - Taxes & Special Assessments and Insura	-	580,097	580,097	1,472	0.4%
CalHFA Fees	-	10,085	10,085	26	0.0%
Tax Exempt Bond Allocation Fee	-	-	-	-	0.0%
Other (Bond Transaction Costs)	101,415	-	101,415	257	0.1%
TOTAL PERMANENT LOAN COSTS	131,415	963,132	1,094,547	2,778	0.7%
LEGAL FEES					
CalHFA Construction/Rehab Loan Legal Fees	-	-	-	-	0.0%
Other Construction/Rehab Loan Legal Fees	50,000	-	50,000	127	0.0%
CalHFA Permanent Loan Legal Fees	-	15,000	15,000	38	0.0%
Other Permanent Loan Legal Fees	-	72,500	72,500	184	0.0%
Sponsor Legal Fees	-	-	-	-	0.0%
Organizational Legal Fees	-	-	-	-	0.0%
Syndication Legal Fees	-	-	-	-	0.0%
Borrower Legal Fee	155,000	30,000	185,000	470	0.1%
CalHFA Bond Counsel	62,000	-	62,000	157	0.0%
TOTAL LEGAL FEES	267,000	117,500	384,500	976	0.2%
OPERATING RESERVES					
Operating Expense Reserve Deposit	-	-	-	-	0.0%
Initial Replacement Reserve Deposit	-	-	-	-	0.0%
Transition Operating Reserve Deposit	-	-	-	-	0.0%
Rent-Up Reserve Deposit	-	-	-	-	0.0%
HOME Program Replacement Reserve	-	-	-	-	0.0%
Investor Required Reserve	-	1,553,299	1,553,299	3,942	1.0%
Other (Lease-Up Reserve)	-	-	-	-	0.0%
TOTAL OPERATING RESERVES	-	1,553,299	1,553,299	3,942	1.0%
REPORTS & STUDIES					
Appraisal Fee	10,000	-	10,000	25	0.0%
Market Study Fee	35,000	-	35,000	89	0.0%
Physical Needs Assessment Fee	30,500	-	30,500	77	0.0%
Environmental Site Assessment Reports	35,000	-	35,000	89	0.0%
HUD Risk Share Environmental / NEPA Review F	12,500	-	12,500	32	0.0%
CalHFA Earthquake Waiver Review Fee	-	-	-	-	0.0%
Relocation Consultant	-	-	-	-	0.0%
Soils Reports	-	-	-	-	0.0%
Acoustical Reports	10,000	-	10,000	25	0.0%
Termite/Dry Rot	-	-	-	-	0.0%
Consultant/Processing Agent - blue prints, copies,	369,000	-	369,000	937	0.2%
Other (Environmental Consultants)	30,000	-	30,000	76	0.0%
TOTAL REPORTS & STUDIES	532,000	-	532,000	1,350	0.3%

SOURCES & USES OF FUNDS			Final Commitment		
Antioch Senior & Family Housing			Project Number 19-023-A/X/N		
USES OF FUNDS	CONST/REHAB \$	PERMANENT \$	TOTAL PROJECT USES OF FUNDS		
			USES (\$)	PER UNIT (\$)	%
<u>OTHER COSTS</u>					
TCAC Application, Allocation & Monitor Fees	305,269	-	305,269	775	0.2%
CDLAC Fees	34,318	-	34,318	87	0.0%
Local Permits & Fees	1,977,233	-	1,977,233	5,018	1.3%
Local Impact Fees	14,964,165	-	14,964,165	37,980	9.6%
Other Local Fees	-	-	-	-	0.0%
Syndicator/Investor Fees & Expenses	-	-	-	-	0.0%
Furnishings	433,400	-	433,400	1,100	0.3%
Accounting & Audits	35,000	-	35,000	89	0.0%
Advertising & Marketing Expenses	750,000	-	750,000	1,904	0.5%
Financial Consulting	-	-	-	-	0.0%
Miscellaneous Administrative Fees	-	-	-	-	0.0%
HUD Risk Share Insurance (First Year Prepaid)	-	-	-	-	0.0%
Other (Blue Prints, Copies, Misc.)	310,200	-	310,200	787	0.2%
Other (Misc. Environmental)	43,000	-	43,000	109	0.0%
TOTAL OTHER COSTS	18,852,585	-	18,852,585	47,849	12.1%
SUBTOTAL PROJECT COSTS					
	134,584,995	142,561,069	137,218,926	348,271	88.4%
<u>DEVELOPER FEES & COSTS</u>					
Developer Fees, Overhead & Profit	5,342,143	12,712,599	18,054,742	45,824	11.6%
Consultant Processing Agent	-	-	-	-	0.0%
Project Administration	-	-	-	-	0.0%
Syndicator Consultant Fees	-	-	-	-	0.0%
Guarantee Fees	-	-	-	-	0.0%
Construction Oversight & Management	-	-	-	-	0.0%
Other Administration Fees	-	-	-	-	0.0%
Other (Specify) correction to balance	-	-	-	-	0.0%
CASH EQUITY OUT TO DEVELOPER	-	-	-	-	0.0%
TOTAL DEVELOPER FEES & COSTS	5,342,143	12,712,599	18,054,742	45,824	11.6%
TOTAL PROJECT COSTS					
	139,927,138	155,273,668	155,273,668	394,096	100.0%

PROJECTED INITIAL ANNUAL RENTAL OPERATING BUDGET		Final Commitment	
Antioch Senior & Family Housing		Project Number	19-023-A/X/N
INCOME			
	AMOUNT	PER UNIT	%
Rental Income			
Restricted Unit Rents	\$ 7,161,624	\$ 18,177	104.58%
Unrestricted Unit Rents	-	-	0.00%
Commercial Rents	-	-	0.00%
Rental & Operating Subsidies			
Project Based Rental Subsidy	-	-	0.00%
Other Project Based Subsidy	-	-	0.00%
Income during renovations	-	-	0.00%
Other Subsidy (Specify)	-	-	0.00%
Other Income			
Laundry Income	47,122	120	0.69%
Parking & Storage Income	-	-	0.00%
Miscellaneous Income	-	-	0.00%
GROSS POTENTIAL INCOME (GPI)	\$ 7,208,746	\$ 18,296	105.26%
Less: Vacancy Loss	\$ 360,437	\$ 915	5.26%
EFFECTIVE GROSS INCOME (EGI)	\$ 6,848,309	\$ 19,211	100.00%
OPERATING EXPENSES			
	AMOUNT	PER UNIT	%
Administrative Expenses	\$ 654,894	\$ 1,662	\$ 0
Management Fee	189,698	481	2.77%
Social Programs & Services	50,400	128	0.74%
Utilities	569,458	1,445	8.32%
Operating & Maintenance	671,786	1,705	9.81%
Ground Lease Payments	-	-	0.00%
CalHFA Monitoring Fee	7,500	19	0.11%
Mixed Income Loan Fee	221,390	562	3.23%
Other Monitoring Fees	-	-	0.00%
Real Estate Taxes	8,222	21	0.12%
Other Taxes & Insurance	555,015	1,409	8.10%
SUBTOTAL OPERATING EXPENSES	\$ 2,928,363	\$ 7,432	42.76%
Operating Reserves	\$ 108,350	\$ 275	1.58%
TOTAL OPERATING EXPENSES	\$ 3,036,713	\$ 7,707	44.34%
NET OPERATING INCOME (NOI)	\$ 3,811,596	\$ 9,674	55.66%
DEBT SERVICE PAYMENTS			
	AMOUNT	PER UNIT	%
-	\$ -	\$ -	0.00%
-	\$ -	-	0.00%
-	\$ -	-	0.00%
Conduit First Lien Loan-Citibank	\$ 3,175,884	8,061	46.37%
-	\$ -	-	0.00%
-	\$ -	-	0.00%
-	\$ -	-	0.00%
-	\$ -	-	0.00%
TOTAL DEBT SERVICE & OTHER PAYMENTS	\$ 3,175,884	\$ 8,061	46.37%
EXCESS AFTER DEBT SERVICE & MONITORING FEES	\$ 635,712	\$ 1,613	9.28%
DEBT SERVICE COVERAGE RATIO (DSCR)	\$ 1 to 1		
Date: 5/18/20	Senior Staff Date: 05/22/20		

PROJECTED PERMANENT LOAN CASH FLOWS		
Final Commitment		
	YEAR	16
RENTAL INCOME	CPI	
Restricted Unit Rents	2.50%	10,372,167
Unrestricted Unit Rents	2.50%	-
Commercial Rents	2.00%	-
Project Based Rental Subsidy	1.50%	-
Other Project Based Subsidy	1.50%	-
Income during renovations	0.00%	-
Other Subsidy (Specify)	0.00%	-
Laundry Income	2.50%	68,247
Parking & Storage Income	2.50%	-
Miscellaneous Income	2.50%	-
GROSS POTENTIAL INCOME (GPI)		10,440,414
VACANCY ASSUMPTIONS	Vacancy	
Restricted Unit Rents	5.00%	518,608
Unrestricted Unit Rents	7.00%	-
Commercial Rents	50.00%	-
Project Based Rental Subsidy	5.00%	-
Other Project Based Subsidy	3.00%	-
Income during renovations	20.00%	-
Other Subsidy (Specify)	5.00%	-
Laundry Income	5.00%	3,412
Parking & Storage Income	50.00%	-
Miscellaneous Income	50.00%	-
TOTAL PROJECTED VACANCY LOSS		522,021
EFFECTIVE GROSS INCOME (EGI)		9,918,393
OPERATING EXPENSES	CPI / Fee	
Administrative Expenses	3.50%	1,181,613
Management Fee	2.77%	274,739
Utilities	3.50%	954,041
Operating & Maintenance	3.50%	1,125,476
Ground Lease Payments	3.50%	-
CalHFA Monitoring Fee	0.00%	7,500
Mixed Income Loan Fee	0.00%	195,110
Other Agency Monitoring Fee	0.00%	-
Real Estate Taxes	1.25%	10,030
Other Taxes & Insurance	3.50%	929,844
Required Reserve Payments	1.00%	125,791
TOTAL OPERATING EXPENSES		4,804,144
NET OPERATING INCOME (NOI)		5,114,249
DEBT SERVICE PAYMENTS	Lien #	
Conduit First Lien Loan-Citibank	1	3,175,884
	-	-
TOTAL DEBT SERVICE & OTHER PAYMENTS		3,175,884
CASH FLOW AFTER DEBT SERVICE		1,938,365
DEBT SERVICE COVERAGE RATIO		1.61
Date Prepared: 05/18/20		

		16
LESS: Asset Management Fee	3%	18,696
Less: MGP Fee	3%	28,043
LESS: Partnership Management Fee	3%	7,790
net CF available for distribution		1,883,836

Developer Distribution of Net Cash Flow **100%** 941,918

Deferred developer fee repayment 12,654,743 -
-
-

Residual Receipt Payments	0%	
RESIDUAL RECEIPTS LOANS	Payment %	
MIP	100.00%	941,918
0	0.00%	-
Total Residual Receipts Payments	100.00%	941,918

Balances for Residual Receipt Payments		
RESIDUAL RECEIPTS LOANS	Interest Rate	
MIP---Simple	3.00%	6,150,559
0---	0.00%	-
Total Residual Receipts Payments		6,150,559



MIXED-INCOME LOAN PROGRAM

The CalHFA Mixed-Income Program ("MIP") provides competitive long-term financing for newly constructed multifamily housing projects restricting units (tax credit or CalHFA) between 30% and 120% of county Area Median Income ("AMI").

The MIP must be paired with CalHFA's Conduit Bond Issuance Program and a CalHFA Mixed-Income Preferred Construction Lender. Additionally, the program must be paired with CalHFA's Permanent Loan product or a sponsor must work with a CalHFA Mixed-Income Preferred Permanent Lender. The Mixed-Income resources will take the form of a subordinate loan to incentivize newly developed multifamily housing projects that serve a range of very low to moderate income California renters. Eligible projects must create newly constructed regulated units that meet the income and occupancy requirements reflected below.

Qualifications	<ul style="list-style-type: none"> • Available to for-profit, non-profit, and public agency sponsors. Development teams must meet CalHFA experience requirements. • Subsidy resources must be used in conjunction with CalHFA's Conduit Bond Issuance Program and a construction loan from a CalHFA Mixed-Income Preferred Construction Lender. • Subsidy resources must also be used in conjunction with CalHFA's permanent first-lien mortgage financing or financing from a CalHFA Mixed-Income Preferred Permanent Lender. • Financing Structure: 1) Tax-exempt Bond and 4% tax credit projects where at least 51% of the units in each project must be tax credit financed or 2) Qualify as a mixed-income project under the California Debt Limit Allocation Committee's (CDLAC) regulations (50% or fewer units designated as tax credit or tax-exempt bond restricted) and use an allocation of private activity bonds to finance the project. • Projects must have site control and be prepared to submit to CDLAC and TCAC by no later than the December 2019 CDLAC Allocation meeting and will only receive funds if bonds are issued within the issuance timeframes outlined in the CDLAC resolution.
CalHFA Mixed-Income Preferred Construction Lender Qualifications	<p>Selected annually through a CalHFA Request for Qualification process.</p>
CalHFA Mixed-Income Preferred Permanent Lender Qualifications	<p>Selected annually through a CalHFA Request for Qualification process.</p>
Permanent First Lien Loan	<ul style="list-style-type: none"> • Provided by CalHFA or a CalHFA Mixed-Income Preferred Permanent Lender. • Minimum loan amount of \$5 million. • Minimum 1.15x for debt service coverage ratio.

Kevin Brown, Housing Finance Specialist
 500 Capitol Mall, Suite 1400, MS-990
 Sacramento, CA 95814
 916.326.8808
 kbrown@calhfa.ca.gov

Ruth Vakili, Housing Finance Officer
 500 Capitol Mall, Suite 1400, MS-990
 Sacramento, CA 95814
 916.326.8816
 rvakili@calhfa.ca.gov

MIXED-INCOME LOAN PROGRAM

Construction First Lien Loan	<p>Provided by a CalHFA Mixed-Income Preferred Construction Lender.</p>
Limitations	<ul style="list-style-type: none"> • Use cannot be combined with the Tax Credit Allocation Committee’s (TCAC) 9% program. • Use cannot be combined with the Department of Housing and Community Development’s (HCD) State programs except for those programs that are administered by HCD on behalf of local jurisdictions including HOME and CDBG. • Projects that have a below market rate component as a result of an inclusionary obligation or are 100% below market as a result of an inclusionary obligation must demonstrate master developer commitment through a dollar-for-dollar match of CalHFA’s resources. Match can be obtained through a monetary match or equivalent in-kind contributions (e.g., land donation, land use fee concessions.) • At the time of application to CalHFA, a project must not have already received an allocation of 4% tax credits from TCAC or bonds from CDLAC. • Projects will not be eligible for subsidy resources from CalHFA in addition to this program.
Preferences/ Limitations (if competitive)	<ul style="list-style-type: none"> • Projects restricting at least 10% of the units to moderate income households, 81% to 120% AMI (CalHFA restricted), will be prioritized over other projects. • Of the projects that restrict 10% of the units for moderate income households, preference will be given to projects with the lowest CalHFA subsidy request per unit. • No one sponsor may receive more than 33% of the total subsidy awarded per year. • No one county may receive more than 33% of the total subsidy awarded per year. • No more than 25% of the total subsidy awarded per year may go to age-restricted projects.
Mixed-Income Project Occupancy Requirements	<ul style="list-style-type: none"> • Must maintain either (a) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI with adjustments for household size (“20% @ 50% AMI”), OR (b) 40% or more of the units must be both rent restricted and occupied by individuals whose incomes are 60% or less of AMI with adjustments for household size (“40% @ 60% AMI”): in the latter case, a minimum of 10% of the unit types must be at 50% or less of AMI (“10% @ 50% AMI”). • Tax credit transactions that are income-averaged must meet the above minimum criteria. • For tax credit transactions not considered mixed-income by CDLAC, at least 20% of the tax credit restricted units must be restricted at 80% AMI subject to a market study demonstrating the 80% is 10% below market. • These restrictions will remain in effect for up to 55 years.
Mixed-Income Subordinate Loan	<ul style="list-style-type: none"> • Maximum loan amount of \$5 million, with exceptions considered for larger projects. • Maximum loan amount of \$40,000 per restricted (tax credit or CalHFA) units (30%-120% AMI). • Loan size based on project need but cannot be more than 50% of the permanent loan amount.
Mixed-Income Subordinate Loan Rates & Terms	<ul style="list-style-type: none"> • Interest Rate: 3.00% simple interest. • Loan Payment: Residual receipt repayment based on cash flow analysis and split 50% to Owner and 50% to CalHFA and other residual receipt lenders. Of the 50% residual lender split, CalHFA’s payment equals to proportionate share of total subordinate debt. Potential deferment possible for up to 15 years. • Loan and Affordability Term: Up to 55 years. • Assignability: Consent will be considered. • Prepayment: May be prepaid at any time. • Subordination: A subordination request in conjunction with a resyndication, refinance, or ownership transfer will be considered. If a longer loan term is requested, subordination will be negotiated. • Funded: Only at permanent loan conversion.

MIXED-INCOME LOAN PROGRAM

CalHFA Conduit Bond Program	For more information on CalHFA's Conduit Issuer Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-conduit.pdf
CalHFA First Lien Permanent Rates & Terms (subject to change)	For more information on CalHFA's Permanent Loan Program and the fees associated with it, visit CalHFA's website: www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf
Fees (subject to change)	<p>MIP Fees</p> <ul style="list-style-type: none">• Program Application Fee: \$10,000 non-refundable, due at time of CalHFA application submittal.• Loan Fee: 1.00% of the loan amount (50% due at final commitment and 50% due at loan close).• Legal Fee: \$15,000, due at loan closing (applicable if CalHFA is not providing permanent financing).• MIP Fee Paid to CalHFA: 0.35% ongoing annual fee, commencing at permanent loan conversion, calculated based on the principal balance of an amortization schedule with the following assumptions: i) 55-year level-amortization; ii) start date, interest rate and the loan amount consistent with Permanent First-Lien Loan (applicable if CalHFA is not providing permanent financing). <p>For projects where units are not all restricted by the MIP program (excluding Managers Units), the fee as described above will be multiplied by the proportion of MIP units to total units.</p> <p>Conduit Bond Program Fees</p> <ul style="list-style-type: none">• Program Application Fee: Paid via MIP Application Fee.• Issuance Fee: 1) The greater of \$15,000 or 0.2% of the Bond amount if less than \$20 million or 2) If more than \$20 million: \$40,000 + 0.10% of the amount above \$20 million.• Public Sale: \$5,000-\$10,000 when bonds are sold to the public.• Annual Administrative Fee: \$7,500 per year.• Required CDLAC Fees. <p>If CalHFA is selected as the permanent lender, please see CalHFA terms sheet for first mortgage loan fees, credit enhancements, trustee fees, legal fees, inspection fees, administrative fees.</p> <p>www.calhfa.ca.gov/multifamily/programs/forms/termsheet-perm-tax-exempt.pdf</p>

Last revised: 04/2019

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. This program description is subject to change from time to time without prior notice. The California Housing Finance Agency does not discriminate on any prohibited basis in employment or in the admission and access to its programs or activities. Not printed at taxpayer expense.



CONDUIT ISSUER PROGRAM

MULTIFAMILY HOUSING BONDS

The CalHFA Conduit Issuer Program is designed to facilitate access to tax-exempt and taxable bonds (“Bond”) by developers that seek financing for eligible projects that provide affordable multifamily rental housing for individuals, families, seniors, veterans or special needs tenants (“Project”). The conduit Bonds may be used to finance the acquisition, rehabilitation, and/or development of an existing Project, or they can be used for the construction of a new Project.

Qualifications	<ul style="list-style-type: none"> • Available to for-profit, non-profit or public agency sponsors. • Non-profit borrowers may be eligible for 501(c)(3) bonds. • If bond proceeds are utilized to pay off an existing CalHFA portfolio loan visit www.calhfa.ca.gov for the CalHFA Portfolio Loan Prepayment Policy.
Bond Amount	Bond amount is determined by the loan amount of the selected construction lender.
Fees (subject to change)	<ul style="list-style-type: none"> • Application Fee: \$5,000 non-refundable, due at time of application submittal (covers the cost of the TEFRA) and is credited towards the CalHFA Issuer Fee. • Issuer Fee: <ol style="list-style-type: none"> 1. The greater of \$15,000 or 0.20% of the Bond amount if less than \$20 million dollars 2. If more than \$20 million dollars: \$40,000 + 0.10% of the amount above \$20 million dollars • Annual Administrative Fee: \$7,500 (scattered site projects may require increased fees) due and payable in advance in annual installments commencing on Bond issuance through the term of the regulatory period. • Public Sale: additional fee of \$5,000 to \$10,000 applies when Bonds are sold to the public. • CDLAC Allocation Fee: 0.035% of the Bond amount, \$1,200 of which is due at time of CDLAC application submittal with the remaining fee due at construction loan closing, and is payable to CDLAC. • CDLAC Performance Deposit: 0.50% of the requested Bond amount, not to exceed \$100,000, due at time of CDLAC application submittal. Deposit to be refunded after the Bond closing, upon receipt of authorization letter from CDLAC. <p>The Borrower shall be responsible for all other costs of Bond issuance including fees of the underwriter, trustee, rating agencies, lender, compliance administrator, all Bond counsel legal fees, and any other parties required to complete the transaction.</p>

Kevin Brown, Housing Finance Specialist
 500 Capitol Mall, Suite 1400, MS-990
 Sacramento, CA 95814
 916.326.8808
kbrown@calhfa.ca.gov

CONDUIT ISSUER PROGRAM

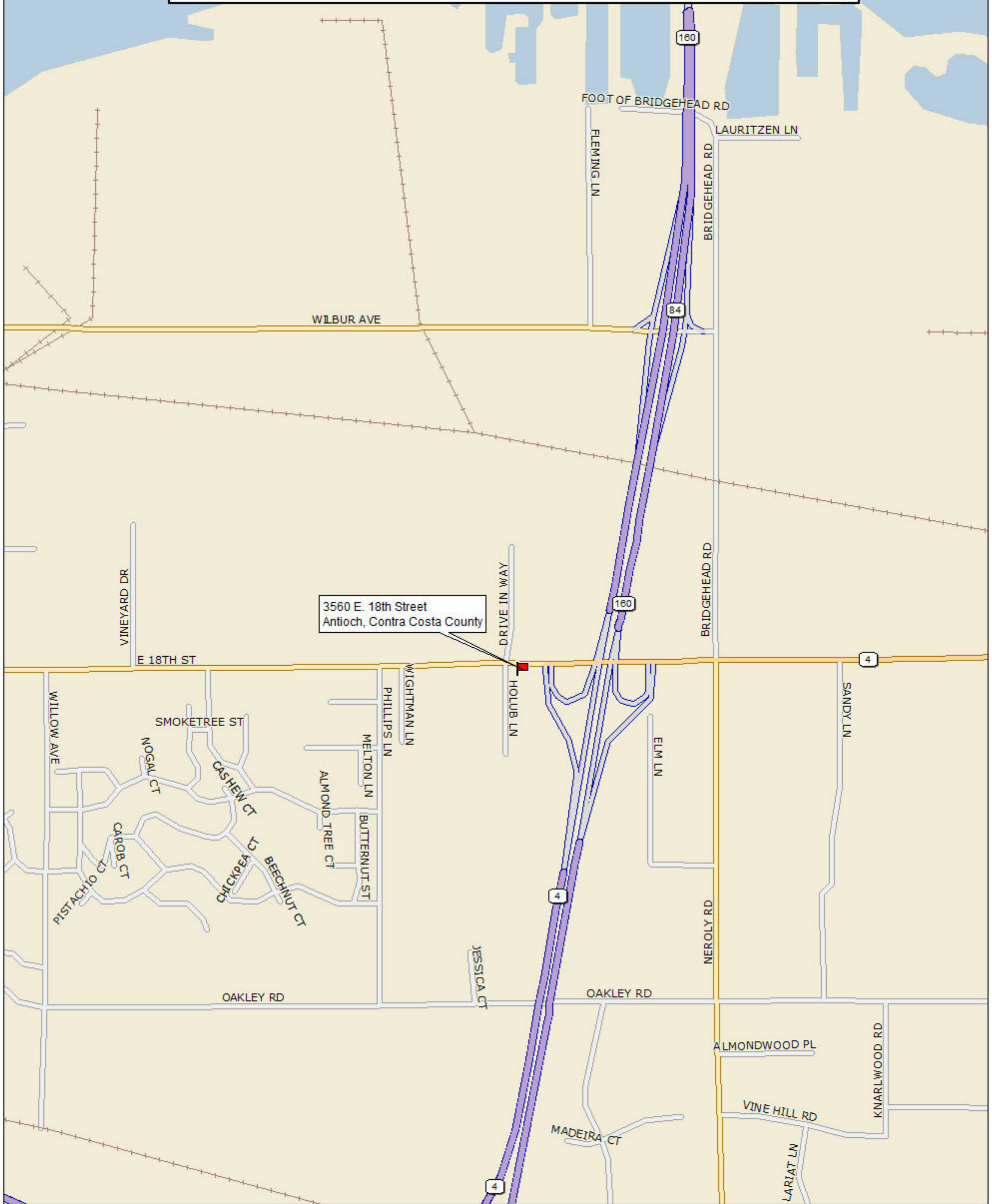
Occupancy Requirements

- Either (A) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of the area median income as determined by HUD ("AMI") with adjustments for household size ("20% @ 50% AMI"), or (B) 40% or more of the units must be both rent restricted and occupied by individuals whose income is 60% or less of the AMI, with adjustments for household size ("40% @ 60% AMI"); however in the latter case, a minimum of 10% of the units must be at 50% or less of AMI.
- Borrower will be required to enter into a Regulatory Agreement which will be recorded against the Project for the Qualified Project Period (as defined in the CalHFA Regulatory Agreement). This includes the latter of the federally-required qualified project period, repayment of the Bond funded loan, redemption of the Bonds or the full term of the CDLAC Resolution requirements.

Last revised: 03/2019

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. This program description is subject to change from time to time without prior notice. The California Housing Finance Agency does not discriminate on any prohibited basis in employment or in the admission and access to its programs or activities. Not printed at taxpayer expense.

Antioch Senior & Family Apts.



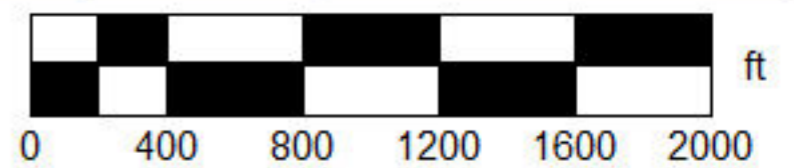
Data use subject to license.

© DeLorme. DeLorme Street Atlas USA® 2010.

www.delorme.com

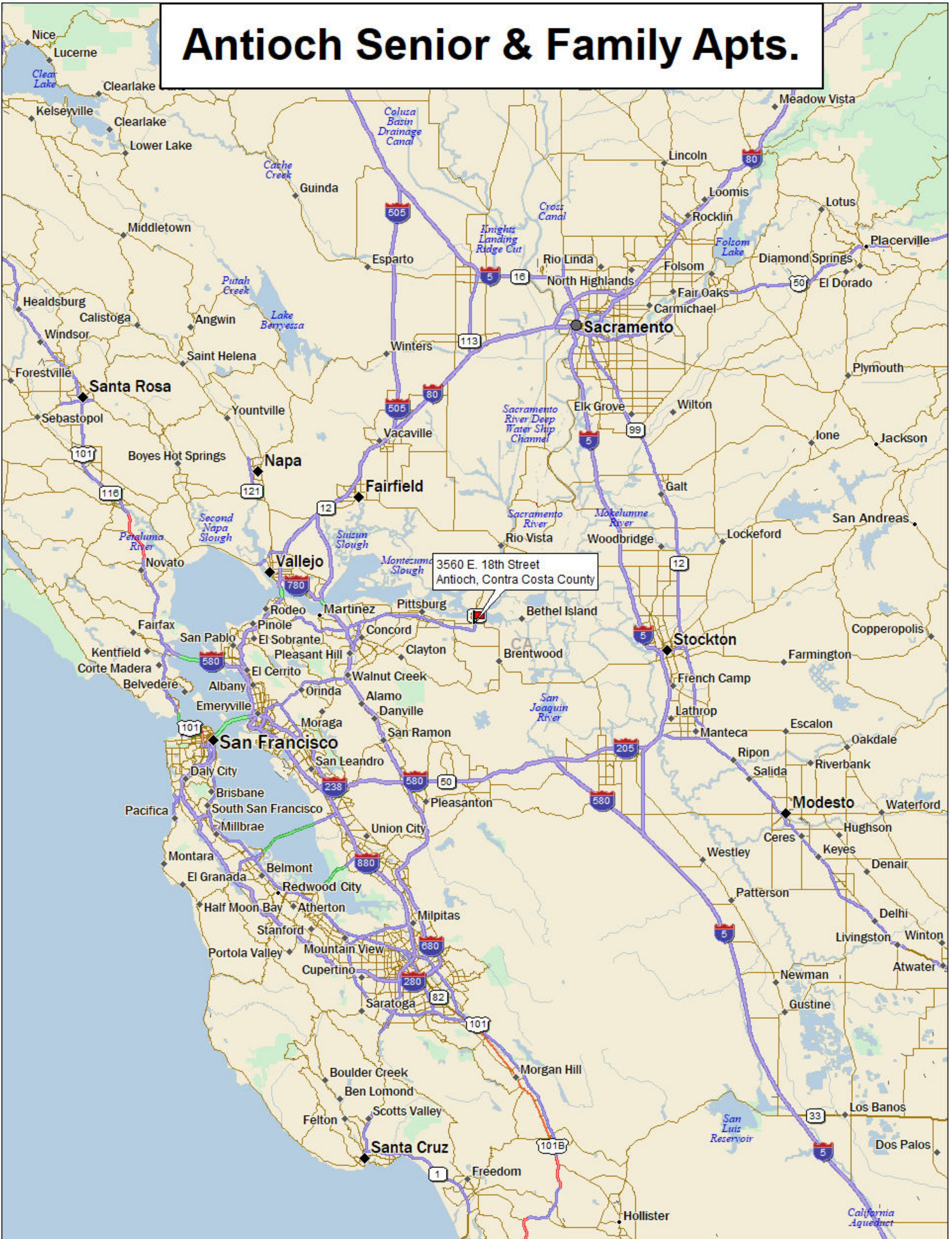


MN (13.2° E)



Data Zoom 14-0

Antioch Senior & Family Apts.



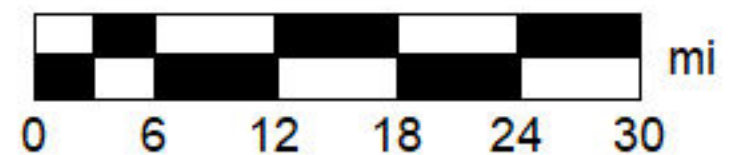
Data use subject to license.

© DeLorme. DeLorme Street Atlas USA® 2010.

www.delorme.com



MN (13.2° E)



Data Zoom 7-5